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Form PTO-1594 R

05-29-1998

U.S. Department of Commerce
Patent and Trademark Office



MRd 5-8-98

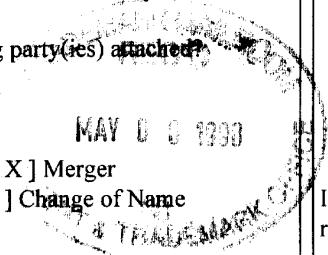
100724117

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):
 American Medical Security Group, Inc.
 Individual(s) Association
 General Partnership Limited
 Corporation-State Delaware Partnership
 Other:
 Additional name(s) of conveying party(ies) attached?
 Yes No

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other

Execution Date: December 3, 1996



2. Name and address of receiving party(ies):
 Name: United Wisconsin Services, Inc.
 Internal Address: P.O. Box 025
 Street Address: 401 W. Michigan Street
 City: Milwaukee State: Wisconsin Zip: 53201
 Individual(s) citizenship
 Association
 General Partnership
 Limited Partnership
 Corporation-State - WI
 Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No

(Designations must be a separate document from Assignment) Additional names(s) & address(es) attached?
 Yes No

4. Application number(s) or registration number(s):
 A. Trademark Application No.(s)
 75/051,348

Additional numbers

B. Trademark registration No.(s)
 2,056,818 and 2,040,158

attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:
 Name: Richard S. Marcus
 Internal Address: Godfrey & Kahn, S.C.

Street Address: 780 N. Water Street

City: Milwaukee State: Wisconsin Zip: 53202

6. Total number of applications and registrations involved: [3]

7. Total fee (37 CFR 3.41): \$90.00
 Enclosed
 Authorized to be charged to deposit account any fee deficiencies

8. Deposit account number: 07-1509

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

05/28/1998 DCOATES 00000047 75051348

01 FC:481	40.00 OP
02 FC:482	50.00 OP

9. Statement and signature.
To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Richard S. Marcus
 Name of Person Signing

Signature

5/5/98
 Date

Total Number of pages comprising cover sheet: [1]

State of Wisconsin

DEPARTMENT OF FINANCIAL INSTITUTIONS

I, RICHARD L. DEAN, Secretary, Department of Financial Institutions, do hereby certify that the annexed copy has been compared by me with the document on file in the Corporations unit of the Division of Corporate & Consumer Services of this department and that the same is a true copy thereof; and that I am the legal custodian of said document, and that this certification is in due form.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of the Department.



Richard L. Dean
Richard L. Dean, Secretary

Department of Financial Institutions

DATE: MAR 7 1997

BY: *Patricia Weber*

Effective July 1, 1996, the Department of Financial Institutions assumed the functions previously performed by the Corporations Division of the Secretary of State and is the successor custodian of corporate records formerly held by the Secretary of State.

RECEIVED

DEC 03 1996

WISCONSIN
DPI

9027152
 02 ~~Articles~~ OF MERGER
 AMERICAN MEDICAL SECURITY GROUP, INC.
 WITH AND INFO
 UNITED WISCONSIN SERVICES, INC.
 1402822

These Articles of Merger are executed by the undersigned pursuant to Sections 180.1105 and 180.1107 of the Wisconsin Business Corporation Law and Section 252 of the General Corporation Law of Delaware:

ARTICLE I

American Medical Security Group, Inc., a Delaware corporation, will be the non-surviving corporation.

ARTICLE II

United Wisconsin Services, Inc., a Wisconsin corporation, will be the surviving corporation.

ARTICLE III

The Plan of Merger (the "Plan"), as adopted by the Boards of Directors of American Medical Security Group, Inc. and United Wisconsin Services, Inc., is attached hereto as Exhibit A.

ARTICLE IV

The Plan was approved by the Shareholders of American Medical Security Group, Inc., a Delaware corporation, in accordance with the laws of the State of Delaware.

ARTICLE V

The Plan was approved by the Shareholders of United Wisconsin Services, Inc., a Wisconsin corporation, in accordance with Section 180.1103, Wis. Stats.

ACCT# 0000001522 CLASS CODE 340
 TRX# 0000582884 \$25.00
 ACCT# 0000001522 CLASS CODE 310
 TRX# 0000582883 \$100.00

ARTICLE VI

These Articles of Merger, when filed, shall be effective as of December 3, 1996.

IN WITNESS WHEREOF, the undersigned officer of United Wisconsin Services, Inc. has executed these Articles of Merger this 3rd day of December, 1996.

UNITED WISCONSIN SERVICES, INC.

By: C. Edward Mordy
C. Edward Mordy,
Vice President

This instrument was drafted by and is returnable to:

Geoffrey R. Morgan, Esq.
Michael Best & Friedrich
100 East Wisconsin Avenue
Suite 3300
Milwaukee, Wisconsin 53202
414-271-6560

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EXHIBIT A**PLAN OF MERGER
BY AND BETWEEN
UNITED WISCONSIN SERVICES, INC.
AND
AMERICAN MEDICAL SECURITY GROUP, INC.**

Plan of Merger, dated as of December 3, 1996, by and between AMERICAN MEDICAL SECURITY GROUP, INC., a Delaware corporation ("AMS"), and UNITED WISCONSIN SERVICES, INC., a Wisconsin corporation ("UWSI" or the "Surviving Corporation"). AMS and UWSI are sometimes hereinafter referred to as the "Constituent Corporations."

AMS, UWSI, Blue Cross & Blue Shield United of Wisconsin and certain shareholders of AMS have entered into an Agreement and Plan of Merger (the "Agreement") which Agreement provides for the merger of AMS with and into UWSI (the "Merger"). The respective Boards of Directors of AMS and UWSI each deem the Merger desirable and in the best interests of their respective shareholders. The respective Boards of Directors of AMS and UWSI by resolutions duly adopted, have approved this Plan of Merger and have directed that it be submitted to their respective shareholders for approval in accordance with the provisions of the Delaware General Corporation Law (the "DGCL") and Wisconsin Business Corporation Law ("WBCL"), respectively.

In consideration of the mutual agreements, provisions and covenants herein contained, and for the purpose of prescribing (a) the terms and conditions of the Merger and the mode of carrying the same into effect; (b) the manner and the basis of converting the shares of common stock, \$1.00 par value per share, of AMS (the "AMS Common Stock") outstanding immediately prior to the Effective Time (as hereinafter defined) other than AMS Common Stock owned by UWSI (the "Outstanding Shares") into (i) 4,000,000 shares of common stock, no par value per share, of UWSI (the "UWSI Common Stock"), as authorized at the Effective Time under the provisions of UWSI's Articles of Incorporation less the number of shares of UWSI Common Stock issuable pursuant to AMS Options (as hereinafter defined) immediately prior to the Effective Time and (ii) the right to receive an amount, in cash and without interest, equal to \$67,010,000 less expenses attributable to holders of the Outstanding Shares pursuant to the Agreement (collectively, the "Cash Consideration"); and (c) such other provisions as are deemed necessary or desirable, the parties hereto hereby agree, subject to the terms and conditions hereinafter set forth as follows:

**ARTICLE I
The Merger**

Section 1.1 Merger of AMS into UWSI. In accordance with the provisions of this Plan of Merger, Section 252 the DGCL and Section 1107 of the WBCL, AMS shall be merged with and into UWSI, which shall be the surviving corporation. After the Effective Time (as defined in Section 1.5 hereof) the Surviving Corporation shall

continue its corporate existence as a Wisconsin corporation. At the ~~Effective Time the separate existence and corporate organization of AMS shall cease.~~

Section 1.2 Effect of the Merger.

(a) Articles of Incorporation. The Restated and Amended Articles of Incorporation of the Surviving Corporation, as amended, will remain in effect after the Effective Time until altered, amended or repealed in accordance with the provisions thereof and the WBCL.

(b) By-Laws. ~~The By-laws of UWSI in effect at the Effective Time shall be the By-laws of the Surviving Corporation until altered, amended or repealed as provided therein and in the Restated and Amended Articles of Incorporation of the Surviving Corporation, as amended.~~

(c) Officers and Directors. The officers and directors of UWSI at the Effective Time shall be the officers and directors of the Surviving Corporation.

Section 1.3 Assets and Liabilities. At the Effective Time, the Surviving Corporation shall thereupon and thereafter possess title to all property owned by each of the Constituent Corporations without reversion or impairment; the Surviving Corporation shall have all liabilities of each Constituent Corporation; a civil, criminal, administrative or investigatory proceeding against either of the Constituent Corporations may be continued as if the Merger did not occur or the Surviving Corporation may be substituted in the proceeding for AMS.

Section 1.4 Additional Actions. If, at any time after the Effective Time, the Surviving Corporation shall consider or be advised that any further assignments or assurances in law or any other acts are necessary or desirable (a) to vest, perfect or confirm, of record or otherwise, in the Surviving Corporation, title to and possession of any property or right of AMS acquired or to be acquired by reason of, or as a result of the Merger, or (b) otherwise to carry out the purpose of this Plan of Merger, AMS and its proper officers and directors shall be deemed to have granted to the Surviving Corporation and its proper officers and directors, and each of them, an irrevocable power of attorney to execute and deliver all such proper deeds, assignments and assurances in law and to do all acts necessary or proper to vest, perfect or confirm title to and possession of such property or rights in the Surviving Corporation and otherwise to carry out the purposes of this Plan of Merger; and the proper officers and directors of the Surviving Corporation, and each of them, are fully authorized in the name of AMS or otherwise to take any and all such action.

Section 1.5 Effective Time. The effective time of the Merger (the "Effective Time") shall be the time on the date on which articles of merger, substantially in the form of Appendix I attached hereto (the "Articles of Merger"), are received by the Secretary of State of Delaware and Department of Financial Institutions of the State of Wisconsin and subsequently stamped as filed with the Secretary of State of Delaware and Department of Financial Institutions of the State of Wisconsin. The Articles of Merger shall be filed in accordance with the provisions of the DGCL and WDCL as soon as practicable following the Closing (as defined in the Agreement).

ARTICLE II
Conversion of Securities

Section 2.1 AMS Common Stock.

(a) Automatic Conversion. At the Effective Time, except as otherwise provided in Section 2.4 hereof, the Outstanding Shares shall, by virtue of the Merger and without any action on the part of any person or entity, be converted into a combination of 24.4172 shares of UWSI Common Stock and \$435.79 in cash, without interest; provided, however, that Dissenting Shares (as hereinafter defined) shall be dealt with as provided in Section 2.4 below. Outstanding Shares, if any, which at the Effective Time are either (i) owned by UWSI, or (ii) are held in the treasury of AMS, shall be cancelled and retired by virtue of the Merger without conversion into shares of UWSI Common Stock or Cash Consideration.

(b) Record Holder. The person who is shown as the record holder of any Outstanding Shares on AMS's stock transfer records shall be deemed for the purposes of this Article II to be the "record holder" of such shares.

(c) Exchange Agent. The term "Exchange Agent" means any person designated by UWSI to act as an Exchange Agent for purposes of this Agreement, provided that if at any time such person shall not be ready, willing and able to serve as Exchange Agent, or if UWSI shall not have designated any such person to so serve, then UWSI shall be the Exchange Agent.

Section 2.2 Series A Preferred Stock. At the Effective Time, all of the issued and outstanding shares of Series A Preferred Stock, \$1.00 par value per share, of AMS, with a stated value of \$1,000.00 per share, shall, by virtue of the Merger and without any action on the part of any person or entity, be cancelled and retired without any consideration.

Section 2.3 AMS Options.

As of the Effective Time, each then outstanding option to purchase shares of AMS Common Stock, whether or not then vested or exercisable (each, an "AMS Option") shall be assumed by UWSI and

converted into an option (a "UWSI Option"), to purchase shares of UWSI Common Stock in an amount and at an exercise price determined as provided below:

(i) The number of shares of UWSI Common Stock to be subject to a UWSI Option shall be equal to the product of the number of shares of AMS Common Stock subject to the AMS Option and 42.4; and

(ii) The exercise price per share of UWSI Common Stock under the UWSI Option shall be equal to the exercise price per share of AMS Common Stock under the AMS Option divided by 42.4.

Except as provided above, UWSI Options shall be subject to the same terms and conditions (including, without limitation, expiration date, and exercise provisions) as were applicable to AMS Options immediately prior to the Effective Time, except that the UWSI Options shall be fully vested. AMS Options shall not be treated as expired solely due to the fact that UWSI exercised its option under the Joint Venture Agreement. The surrender of an AMS Option to UWSI in exchange for a UWSI Option shall be deemed a release of any and all rights the holder had or may have had in respect of such AMS Option and the grant of UWSI Options with respect to all AMS Options held by such holder with respect to which a UWSI Option is payable shall be conditioned on such holder acknowledging the cancellation of all such AMS Options.

Section 2.4 Dissenting Shares. Outstanding Shares held by shareholders of AMS who shall have taken all action prior to and including the Effective Time necessary to permit such persons to pursue the appraisal remedies under Section 262 of the DGCL ("Dissenting Shares"), shall not be converted as provided herein, but the holders thereof shall receive such consideration as is provided in Section 262 of the DGCL; provided, however, that if any holders of Dissenting Shares shall subsequently fail to comply with the procedures provided in the DGCL or otherwise fail to establish their right to be paid for such Outstanding Shares as provided by the DGCL, the Dissenting Shares of such holders shall thereupon be deemed to have been converted as of the Effective Time in the same manner as provided in this Article II for the other Outstanding Shares.

Section 2.5 Exchange of Shares.

(a) Procedure for Exchange. As soon as practicable after the Effective Time, the Exchange Agent (i) shall mail or deliver to each former record holder of Outstanding Shares whose shares have been converted into UWSI Common Stock and who has surrendered to the Exchange Agent certificate(s) representing all Outstanding Shares owned of record by such person, certificate(s) representing shares of UWSI Common Stock and (ii) shall mail or deliver to such former record holder a check of UWSI in the amount

and in satisfaction of any cash payment required by this Article II or cash payment in lieu of fractional shares determined in accordance with Section 2.5(b). Until so surrendered, each certificate which, immediately prior to the Effective Time, represented Outstanding Shares shall be deemed for all corporate purposes (other than the payment of dividends or other distributions) to represent shares of UWSI Common Stock as though such surrender and exchange had taken place. No dividend or other distribution payable to holders of UWSI Common Stock shall be paid to the holders of certificates previously representing Outstanding Shares; provided, however, that upon surrender of such certificates to UWSI or the Exchange Agent there shall be paid, in the manner specified in the first sentence of this Section 2.5(a) with respect to cash payments in lieu of fractional shares, to each record holder of the certificates issued in exchange therefor the amount, without interest, of all dividends or other distributions, if any, which shall have been declared and become payable after the Effective Time with respect to the shares of UWSI Common Stock into which the Outstanding Shares represented by such surrendered certificates shall have been converted.

(b) No Fractional Shares. No fractional shares of UWSI Common Stock shall be issued in the Merger. In lieu of the issuance or recognition of fractional shares of UWSI Common Stock, or interests or rights therein, each fractional share of UWSI Common Stock which, for this Section 2.5(b), would have been issuable pursuant to Section 2.1, shall, on a holder by holder basis, be aggregated, and be converted, to the fullest extent possible, into whole shares of UWSI Common Stock. Each remaining fractional share of UWSI Common Stock, if any, shall be converted into a right to receive cash, without interest, in an amount equal to the product of (A) such fraction of a share of UWSI Common Stock, and (B) the closing price of UWSI Common Stock on the New York Stock Exchange for the business day immediately preceding the Effective Time.

(c) Status of Shares. All shares of UWSI Common Stock into which the Outstanding Shares shall have been converted pursuant to this Article II shall be deemed to have been issued in full satisfaction of all rights pertaining to such converted shares, and shall be fully paid and nonassessable.

(d) No Further Transfers. From and after the Effective Time there shall be no transfers of Outstanding Shares on the stock transfer books of the Surviving Corporation. If, after the Effective Time, certificates representing such shares are presented to the Surviving Corporation, they shall be cancelled and exchanged for certificates representing shares of UWSI Common Stock and the right to receive cash in lieu of fractional shares of UWSI Common Stock as herein provided.

(e) Rounding of Dollar Amounts. All amounts payable in cash hereunder shall be rounded to the nearest \$0.01.

ARTICLE III
Amendment and Termination

Section 3.1 **Amendment.** This Plan of Merger may not be amended except by an instrument in writing signed on behalf of each of the parties hereto.

Section 3.2 **Termination.** At any time prior to the Effective Time, whether before or after approval by the shareholders of each of AMS and UWSI, this Agreement may be terminated and the Merger abandoned by mutual agreement of the Board of Directors of UWSI and AMS, and shall terminate automatically upon termination of the Agreement prior to the Closing. If terminated as provided in this Section 3.2, this Plan of Merger shall forthwith become wholly void and of no further force and effect.

ARTICLE IV
Miscellaneous

Section 4.1 **Counterparts.** This Plan of Merger may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one agreement.

Section 4.2 **Governing Law.** This Plan of Merger shall be governed in all respects, including validity, interpretation and effect, by the laws of the State of Wisconsin, except only to the extent that Sections 252 and 262 of the DGCL are specifically applicable hereto.

IN WITNESS WHEREOF, each Constituent Corporation has caused this Plan of Merger to be executed on its behalf by its officers hereunto duly authorized, all on the date first above written.

UNITED WISCONSIN SERVICES, INC.

By: _____
Thomas R. Hefty, President

AMERICAN MEDICAL SECURITY GROUP, INC.

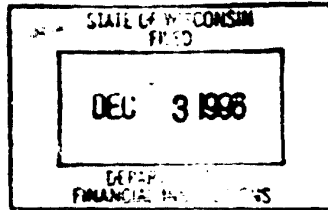
By: _____
Wallace J. Hilliard

Articles of Merger

Merges: American Medical Security Group, Inc. (Licensed Foreign)
Into: United Wisconsin Services, Inc. (Domestic) (Surrender)

Note
Merger
Effective
12/3/96

Draw Acct #1577



\$100.00 plus \$75 Exp. Fee

Jennifer C. Bersch, Paralegal
Michael, Best & Friedrich
100 East Wisconsin Ave.
Milwaukee, WI 53202-4108